



27 September 2016

South32 Limited
(Incorporated in Australia under the *Corporations Act 2001* (Cth))
(ACN 093 732 597)
ASX / LSE / JSE Share Code: S32
ISIN: AU000000S320
south32.net

SOUTH AFRICA ALUMINIUM – HILLSIDE SITE TOUR PRESENTATION

South32 Limited (ASX, LSE, JSE: S32) (South32) will today host an investor and analyst site tour to its South Africa Aluminium Hillside smelter in Richards Bay, South Africa.

About South32

South32 is a globally diversified mining and metals company with high quality operations in Australia, Southern Africa and South America. Our purpose is to make a difference by developing natural resources, improving people's lives now and for generations to come. We are trusted by our owners and partners to realise the potential of their resources. We have a simple strategy to maximise the potential of our assets and shareholder returns by optimising our existing operations, unlocking their potential and identifying new opportunities to compete for capital.

FURTHER INFORMATION

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Further information on South32 can be found at www.south32.net.

JSE Sponsor: UBS South Africa (Pty) Ltd
27 September 2016



HILLSIDE INVESTOR TOUR

27 SEPTEMBER 2016



The purpose of this presentation is to provide general information about South32 Limited. This presentation should be read in conjunction with the Annual Financial Report as at 30 June 2016, Financial Results and Outlook – Year ended 30 June 2016, Quarterly Report for June 2016 and any other announcements made by South32 in accordance with its continuous disclosure obligations.

FORWARD LOOKING STATEMENTS

This presentation contains forward looking statements including where the substance involves future matters, expectations or predictions. This may include statements regarding South32's financial position, strategy, dividends, trends in commodity prices and currency exchange rates, demand for commodities, closure or divestment of certain operations or facilities (including associated costs); anticipated production or construction commencement dates; capital costs and scheduling; operating costs and shortages of materials and skilled employees; anticipated productive lives of projects, mines and facilities; provisions and contingent liabilities; tax and regulatory developments.

Forward looking statements can be identified by the use of terminology such as 'intend', 'aim', 'project', 'anticipate', 'estimate', 'plan', 'believe', 'expect', 'may', 'should', 'could', 'will', 'continue' or other similar words. These forward looking statements are not guarantees or predictions of future performance, and involve known and unknown risks, uncertainties and other factors, many of which are beyond South32's control, and which may cause the actual results to differ materially from those expressed in the statements. Readers are cautioned not to put undue reliance on forward looking statements. Except as required by law:

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- South32 disclaims any obligation or undertaking to publicly update or revise any forward looking statement in this document, whether as a result of new information or future events.

FINANCIAL INFORMATION

To assist shareholders in their understanding, pro forma financial information has been prepared to reflect the business as it is now structured and as though it was in effect for the period 1 July 2014 to 30 June 2015.

NON-IFRS FINANCIAL INFORMATION

This presentation may include certain non-IFRS financial measures, including Underlying earnings, Underlying EBIT and Underlying EBITDA, Underlying effective tax rate, net debt, net operating assets and ROIC. These measures are used internally by management to assess the performance of South32's business, make decisions on the allocation of its resources and assess operational management. Non-IFRS measures have not been subject to audit or review and should not be considered as an indication of or alternative to an IFRS measure of profitability, financial performance or liquidity.

NO OFFER OF SECURITIES

Nothing in this presentation should be construed as either an offer to sell or a solicitation of an offer to buy or sell South32 securities, or be treated or relied upon as a recommendation or advice by South32.

NO FINANCIAL OR INVESTMENT ADVICE – SOUTH AFRICA

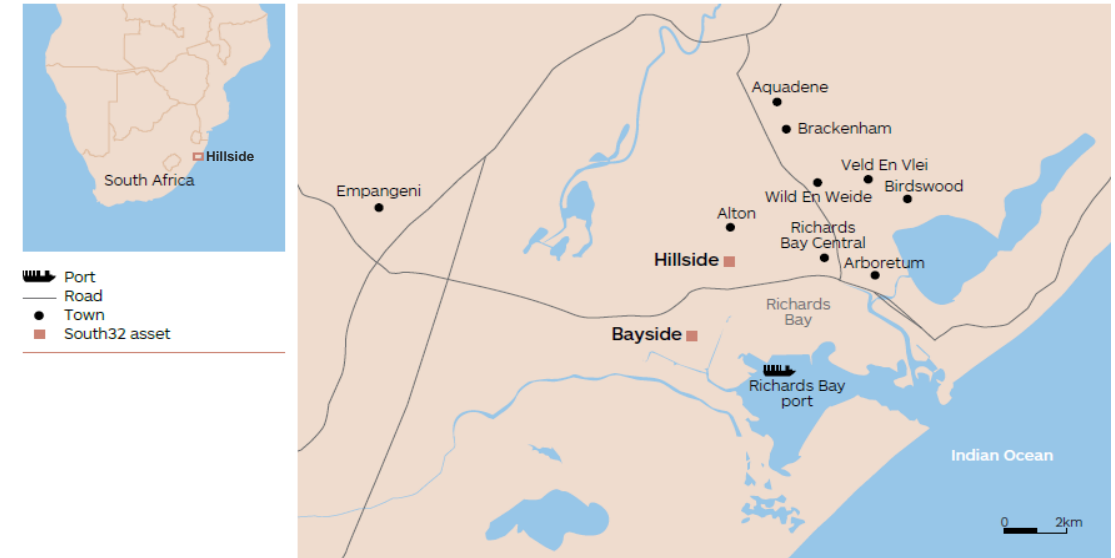
South32 does not provide any financial or investment 'advice' as that term is defined in the South African Financial Advisory and Intermediary Services Act, 37 of 2002, and we strongly recommend that you seek professional advice.

CURRENCY

All references to dollars, cents or \$ in this document are to US currency, unless otherwise stated.

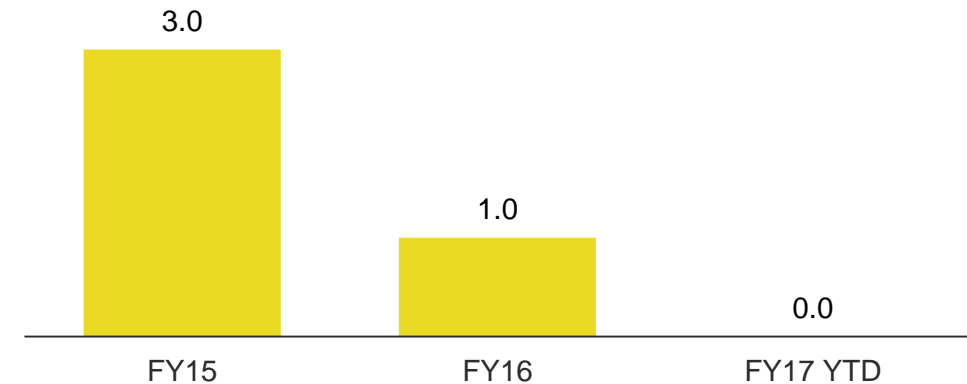
SOUTH AFRICA ALUMINIUM HISTORY

- Bayside Aluminium was the first major industry established in Richards Bay and it was the only aluminium producer in South Africa until Hillside was commissioned in 1995
- South African government provided incentives for the construction of Hillside Aluminium in the early 1990s
- Hillside Aluminium was intended to:
 - Promote industrial development
 - Support the growth of Richards Bay
 - Absorb excess power generation capacity following the construction of a number of power stations in the late 1980s
- Hillside Aluminium is the biggest smelter in the Southern Hemisphere
- Major employer in South Africa (directly and indirectly)



- One fatality at South Africa Aluminium in July 2015
- Working towards an injury-free workplace:
 - Build an inclusive workplace with a strong culture of care and accountability
 - Ensure that work is well designed
 - Continuously improve and learn
 - Undertake a thorough technical and leadership capability review to define, assess and address potential gaps
- Excellent focus on reducing occupational illness (zero reported in FY16)
- GHG emissions reduced by 116kt CO₂-e (since FY12) as a direct result of Hillside's initiatives
- Construction of a desalination plant (to address shortage of water) completed in September 2016

Total Recordable Injury Frequency Rate¹ (per million hours worked)



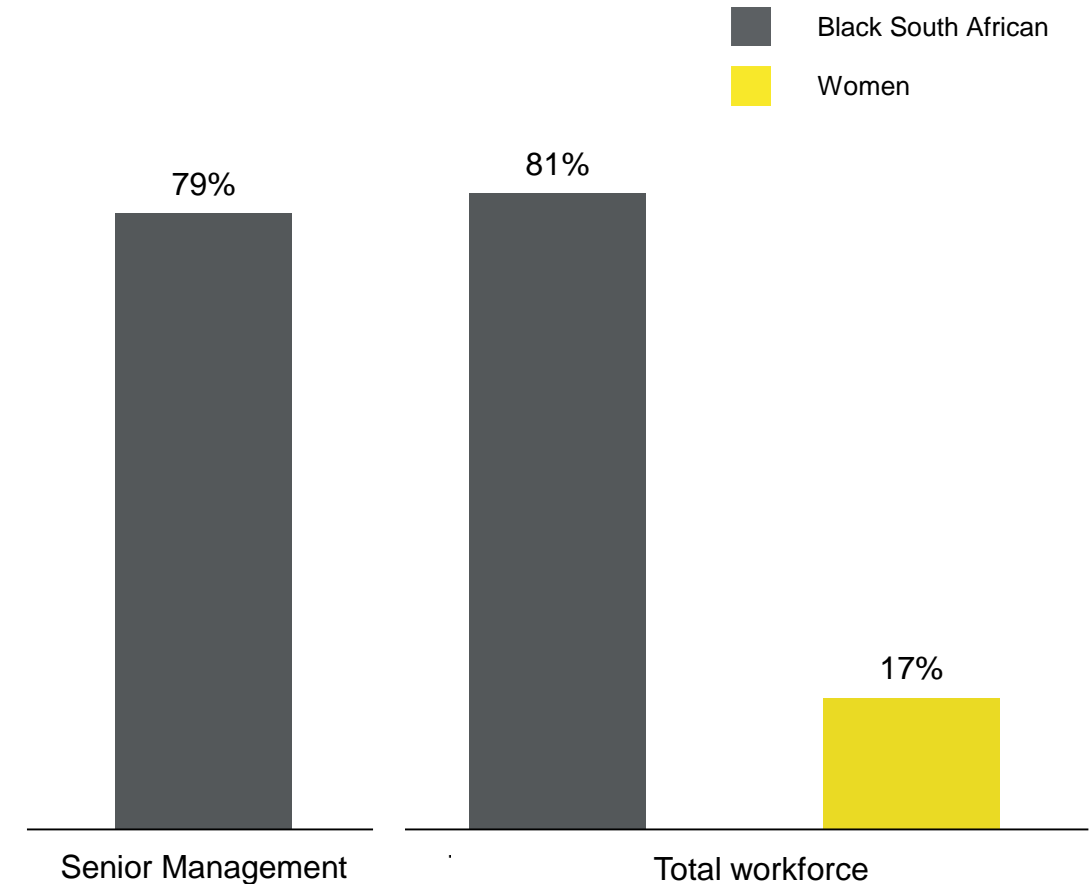
Greenhouse gas (GHG) emissions ² (kt CO ₂ -e)	FY15	FY16
Scope 1 ³	1,455	1,413
Scope 2 ⁴	10,454	10,224
Total GHG	11,909	11,637

Notes:

1. FY17 YTD total recordable injury frequency rate is zero.
2. GHG emissions measured according to the World Resources Institute/ World Business Council for Sustainable Development Greenhouse Gas Protocol.
3. Scope 1 refers to direct GHG emissions from our operated assets.
4. Scope 2 refers to indirect GHG emissions from the generation of purchased electricity and steam that is consumed by our operated assets.

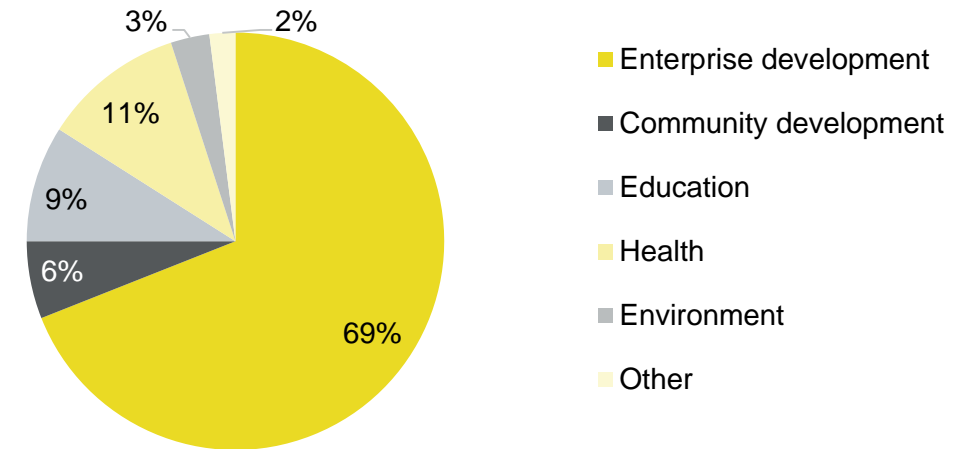
- Committed to the National Transformation Agenda as enacted in the B-BBEE Act
- Accelerated the implementation of key transformation initiatives:
 - Working towards equitable representation and the upskilling of our historically disadvantaged workforce at all levels
 - Developing black small and medium enterprises and the creation of opportunities for growth for existing black enterprises
 - Increasing our local engagement through focussed and sustainable community development
 - Improving the housing and living conditions of our employees and ensuring our plans are aligned with our values
 - Recruiting from within our local communities

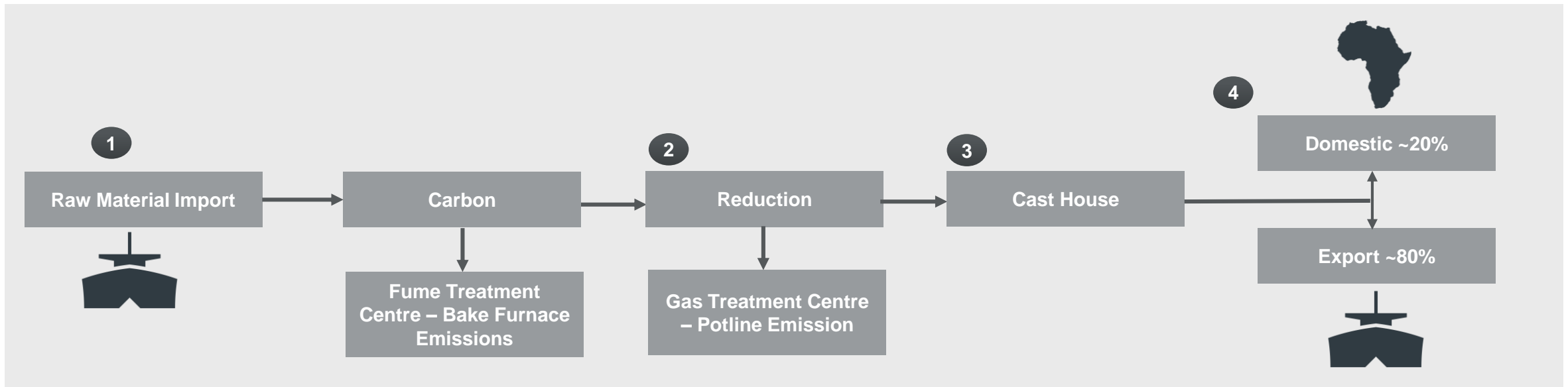
Hillside workforce diversity



- Strong commitment and contribution to our host communities
- Community development spend of R290M since 2009, largely focusing on:
 - Enterprise development supporting local entrepreneurs
 - Ongoye Carbon Sink project to address local unemployment, youth development, and to offset our carbon footprint
 - Early childhood and education programs benefitting 9,800 children per year in the uThungulu District
- Continue to support local beneficiation:
 - Bayside Casthouse sold to Isizinda Aluminium, a B-BBEE entity
 - Hillside supply molten metal to Isizinda (which supplies the domestic market via Hulamin)

Community spend since 2009





1 Raw Material Import

- Alumina (sourced from Worsley)
- Coke
- Pitch
- AlF_3

2 Reduction

- Power sourced from Eskom
- Interruptability of power supply to support stability of the grid

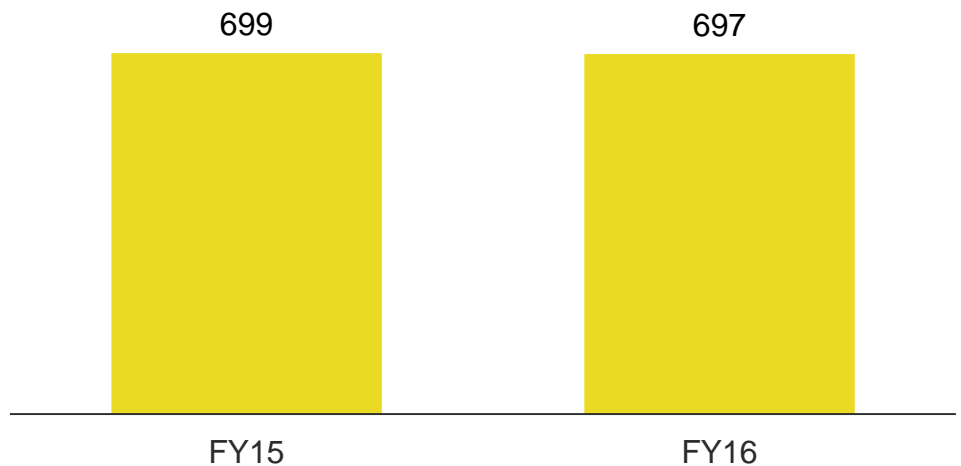
3 Cast House

- Aluminium Pechiney AP35 technology

4 Domestic use

- Solid Metal
 - Liquid Metal
- Export use**
- Ingot Bundles

Saleable aluminium production (kt)

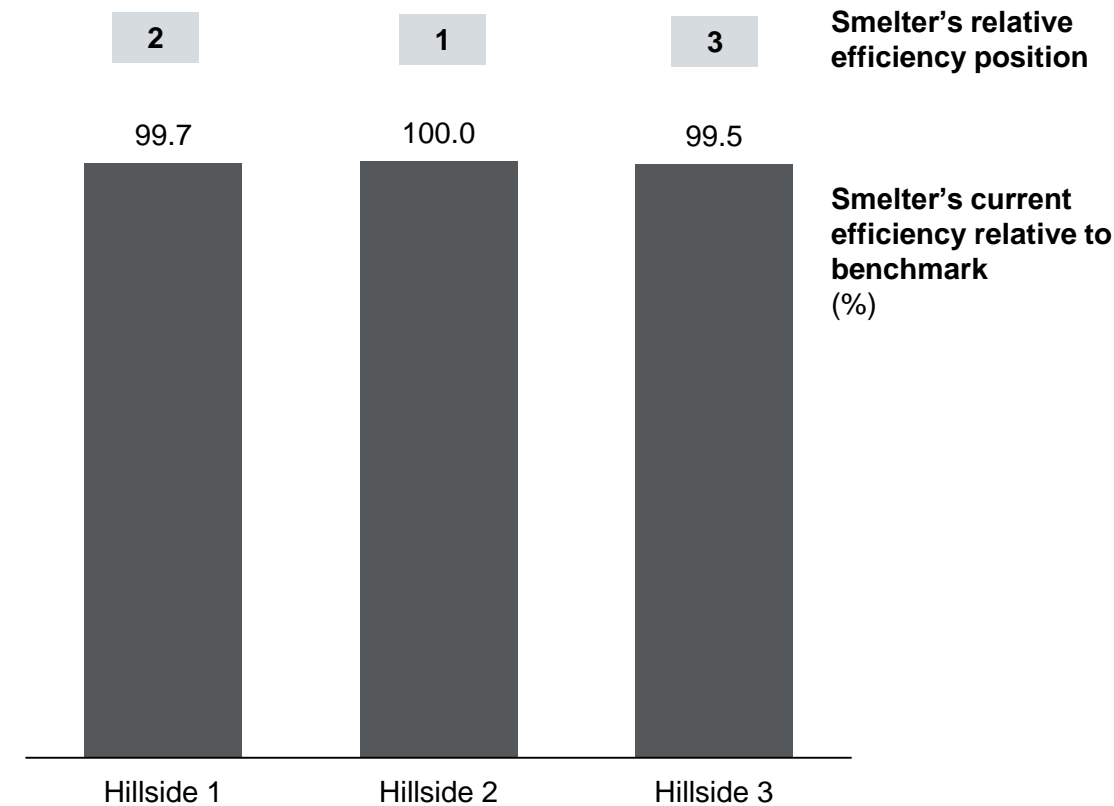


	FY15	FY16 ¹
Number of pots operating	720	698
Number of load-shed events	111	40
Number of pots relined	136	183

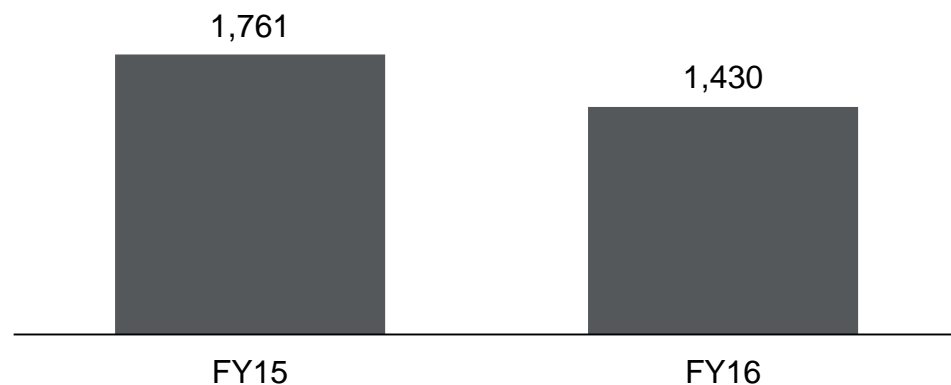
Notes:

- 1. 22 pots suspended in September 2015. Production from these pots will restart for an initial period of 1 year and the ramp-up is expected to be completed by the end of October 2016.
- 2. Industry benchmark as provided by the AP Club. AP Club include the smelters built using the Aluminium Pechiney technology.

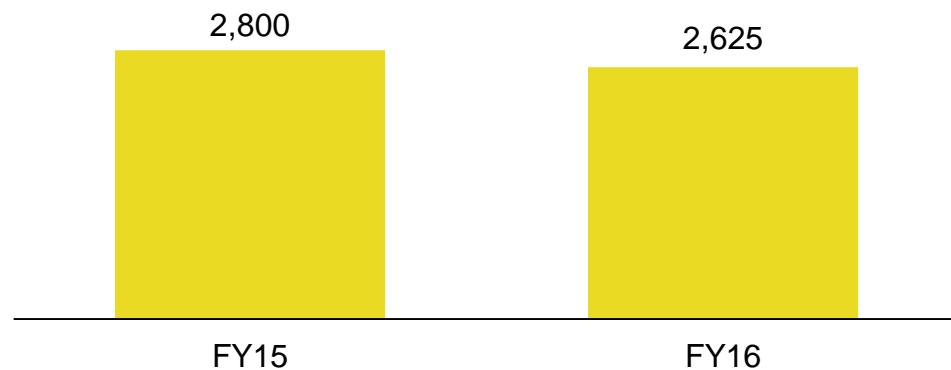
Current performance for Hillside potlines²



Operating unit cost (US\$/t)



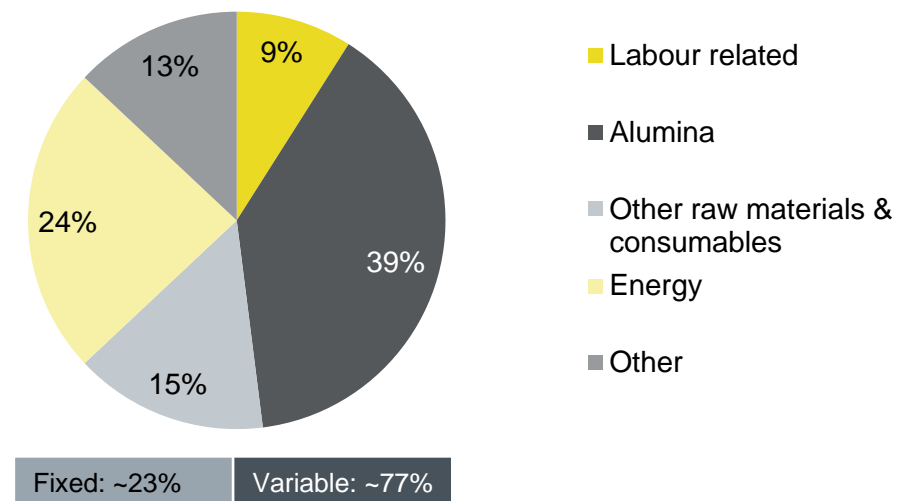
Employee and contractor headcount¹



Note:

1. Compares end of period average contractors and employees for respective financial years (FY15 and FY16).

FY16 Operating cost



Closure and rehabilitation provisions	FY15 US\$M	FY16 US\$M
Hillside	59	58
Bayside	178	106
South Africa Aluminium	237	164

